having an "activation" time period. As each time period expires, the user must obtain the next code in the series to reactivate the equipment for the next time period. If payment has not been made, the retailer does not provide the code, thereby disabling the equipment until the payments is received. This cycle continues until the loan or lease period has expired, after which time the timing system is shut down. Both the activation time periods and the number of cycles that must be completed prior to the system being shut down are out of the user's control and dependent upon the agreement with the seller.

The disclosed system serves as a security and safety device for equipment, preventing activation of the equipment unless the user enters the appropriate code. Unlike in the '708 patent, in the disclosed claims there is a single activation code, entered by the user that is active for the life of the equipment. Once the activation code is entered, the user is free to program in the activation time period based upon planned use. If the equipment is needed for longer than the expected time period originally programmed in, the user merely re-enters the activation code and programs in additional time. Upon expiration of the activation time period, the equipment is again inoperable until the re-entry of the activation code. Not only does the ability to set the time serve to provide security, but also serves as a safety device as well. Since unless the code is known, the equipment is inoperable a child is prevented from picking up a drill, or other tool, and injuring him/herself.

Since the disclosed device is used for security purposes, there is no "shut down" time for the entry code, but rather the code remains active for the life of the equipment.

Additionally, unless the equipment is sold, there is rarely any need to change the code and, when the code is changed, it is done upon the user's request. Since the code in the disclosed application does not serve as a regulated cyclic timer, the internal activation timing programming for the disclosed device provides for user entry rather than restricting entry.

The '780 patent does not provide for user variability in the activation period timing and once the activation time cycles are set by the point of purchase, there is no user ability to change the activation cycles from the original settings. In fact, changing the cycles could be illegal and in breach of the contract established between the point of purchase and the user.

The '780 device would further fail to serve as a security method since, after the shut down time, the system timer system is no longer functional. In contrast, the disclosed device requires that the codes be entered prior to proceeding with each activation period, no matter how long the equipment has been in use.

It is submitted that the amendments to the claims, in combination with the foregoing remarks, clearly set forth the uniqueness of the disclosed device.

The Examiner states that in Claim 19 the addition of a programmable timer used to activate and deactivate the transfer of power from the power source to the driver member. The '780 device, however requires that the input time be entered at the point of purchase or lease and not by the user. In fact, enabling the user to alter the timer would defeat the entire purpose of the '780 device.

With respect to Claim 20 and the use of a portable device, the Examiner refers to col. 4, lines 46 – 57 within the '780 patent. Col. 4, lines 46-57 teach the use of a keyboard, connected to the control board by means of a cable. The disclosed Claim 20 has been amended to include that the remote is independent, more clearly defining that the remote in Claim 20 of the pending claims is not an attached entry apparatus.

Pending Claim 21 provides the additional limitation that the remote unit is a scanning touch key. The Examiner recites Col 5, lines 47-49 as referring to a scanning touch key. Col 5, lines 47-49, however, refers to the system scanning the keyboard to await an active validation code, not using scanning capabilities for activation. This is not the same as a scanning touch key. Nor is the keyboard equivalent to an independent, remote unit.

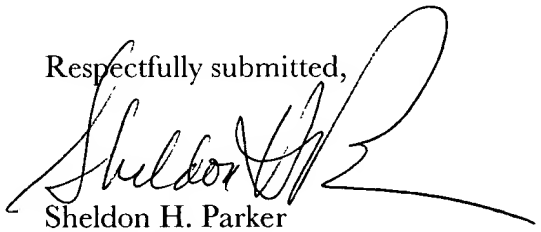
Claims 7 and 22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Norris et al ('708). Pending Claims 7 and 22 relate to the inclusion of the disclosed technology in a hand tool. The Examiner states that it would be obvious to include the '708 technology in a hand tool, although the Norris patent does not specifically teach using the multi-code timer in hand tools. It is submitted that even if the '708 technology was incorporated into a hand tool it would not provide the results disclosed in the pending application. Rather, the inclusion of the '708 device in a hand tool would provide a hand tool that could be used for a seller predetermined cycle of time, after which it would cease working if new codes, obtained from the point of purchase, were not entered. The user

would have no control over the period of time of each cycle, would have no knowledge of the next code and would not be able to rely on the device for added security or safety.

In summary, the '708 device provides a control system for ensuring that payments are made in order to continue operation of the equipment. The pending application provides a security system that enables a user to enter an activation code and cutomize a time period for equipment activation. The '708 patent removes all control from the user while the pending application provides the user with the ability to control operation times and eliminates the need to periodically call the point of purchase for new activation codes.

In view of the foregoing Claim amendments and Remarks it is respectfully submitted that the application is in condition for allowance and an early Notice of Allowance is respectfully requested.

Respectfully submitted,



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